



Employee Program Guide



Employee Program Guide

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The Department of Conservation

The California Department of Conservation (Department) administers a variety of programs important to California's environment, economy, and public safety. With a team of geologists, engineers, scientists and other dedicated professionals, the Department studies seismic hazards; regulates oil, gas, and geothermal wells; guides mining and mineral resource activities; promotes and oversees beverage container recycling; and administers farmland preservation programs. Although our programs are varied, there is a unifying



Debbie Sareeram

theme – land use. Whether it is to ensure that a housing development is built away from an earthquake fault line or that an oil well is safely plugged, the Department's information and expertise is critical to California's land use decision-making processes. Governmental entities, the private sector, and the general public use our data and staff expertise when permitting or regulating uses on California's lands.

The Department employs approximately 750 people and is headed by the Interim Director, Debbie Sareeram.

THE DEPARTMENT'S MISSION STATEMENT

The Department of Conservation's mission is to protect Californian's and their environment by:

- ✓ Protecting lives and property from earthquakes and landslides.
- ✓ Ensuring safe mining and oil and gas drilling.
- ✓ Conserving California's farmland.
- ✓ Saving energy and stopping waste through recycling.



THE DEPARTMENT'S VISION STATEMENT

With a diverse mission, the people of the Department of Conservation are recognized leaders in delivering vital, innovative, resourceful and cost-effective public service.

We are passionate about our duty to public safety, conservation, and protecting the environment.

THE DEPARTMENT'S CORE VALUES

The Department of Conservation connects resources to opportunities. We connect challenges to the needs of the people of California. We bridge our statewide resources – the people, knowledge, financial capital, and technology – to discover new possibilities.

These connections begin with and are nurtured by the following:

Cooperation – Our greatest asset is a passionate, talented group of people who work well individually, on a team, and as leaders in the Department and community. We communicate openly and cultivate mutual understanding and trust. We work together well because we are respectful and have a common sense of purpose.

Versatility - We move quickly and easily in response to challenges and opportunities. Known for our ability to get things done, we anticipate as well as respond to our clients' needs.

Leadership – We lead by example. We continuously seek to improve our services and we embrace, rather than fear, change. We understand the connection between our Department's mission and society's needs.

Activism - We are dedicated professionals and committed to the entrepreneurial marketing of DOC's unique and diverse skills and services.

Credibility - We are experts in diverse disciplines. We apply our expertise by creating effective solutions to public health and safety issues. We are impartial, dependable, and accountable.



THE DEPARTMENT'S PROGRAMS

In addition to the Division of Recycling, the Department is comprised of the following program divisions:

The Division of Land Resource Protection (DLRP) monitors and protects California's farmland and soil resources through the California Land Conservation (Williamson) Act, the Agricultural Land Stewardship Program, the Farmland Mapping and Monitoring Program, and local resource conservation districts. These programs have helped sustain California's \$27 billion a year agriculture economy. Technical information and assistance is provided in the form of important farmland maps, voluntary tax incentives for farmers, grant funding to local governments and non-profit organizations for conservation easements, and grants and training for resource conservation districts. These services help landowners keep parcels in agricultural or open-space use, assist in local planning decisions, and support watershed management.



The California Geologic Survey (CGS) develops and disseminates technical information and advice on California's geology, geologic hazards, and mineral resources. The Division is a resource for scientific information concerning California's geologic, seismologic and volcanologic hazards, earthquake engineering, and mineral resources. This information is used for land-use decisions, the development of mineral resources, mitigation of property damage and protection from geologic hazards, and safeguarding of the State's environment and natural resources. With a history that traces back more than 115 years, the Division is one of the oldest geological surveys in the United States.

The Office of Mine Reclamation (OMR) provides information and technical advice to ensure that the State's surface mines are environmentally sound and reclaimed to usable condition once mining has terminated. In addition, it is responsible for creating an inventory of the State's active mines and historic and inactive mines.

State Mining and Geology Board (SMGB) formulates regulations that assist local government and industry in meeting State laws governing surface mining, mineral resource development, seismic hazards, and earthquake faults. The Board operates within the Department, and is granted certain autonomous responsibilities. It serves as a regulatory, policy, and appeals body representing the State's interest in geology, geologic and seismologic hazards, conservation of mineral resources, and reclamation of land following surface mining activities.



The Division of Oil, Gas, and Geothermal Resources (DOGGR) supervises the drilling, operation, maintenance, and plugging and abandonment of oil, gas, and geothermal wells in California. It also oversees the operation, maintenance and removal or abandonment of facilities attendant to these wells and their surrounding property. Through the enforcement of regulations, the Division encourages sound engineering practices and prudent development of hydrocarbon and geothermal resources.

In addition to the program divisions, the Department has several offices that perform administrative functions. These offices are:

Administrative Services Office (ASO) - Primarily manages the Department's facilities including acquiring office space, coordinating changes to individual offices and establishing phone lines. In addition, ASO distributes the mail throughout the Department, manages the warehouse and oversees the establishment of contracts and the procurement of goods and services.



Human Resources (HR) – Manages the personnel functions for the Department's employees. This includes recruiting and hiring staff, tracking staff's pay scales, benefits and leave balances, providing guidance on personnel-related issues and maintaining the official historical file on each employee.

Budget Office – Establishes the budgets for all of the Department's programs. This office is the Department's advocate to the Legislature and Department of Finance when program divisions need changes to their authorized budgets.

Accounting Office – Manages all of the money coming in and going out of the 19 different funds within the Department. In addition, the Accounting Office is responsible for the year-end financial statements that are provided to the Department of Finance and the State Controller's Office and pays departmental bills and invoices..

Public Affairs Office (PAO) – Provides the general public and the Department's stakeholders with information on the Department's programs and accomplishments. This is primarily done through the media and by attending local events. PAO also produces the bi-weekly employee newsletter, What's Up DOC, that is located in Outlook's public folders.



Legal Office – Provides legal services for the Department's programs, including prosecution and defense for cases that arise from departmental regulatory enforcement actions.

Office of Technology Services (OTS) – Manages the computer software and hardware utilized throughout the Department. This includes acquiring and installing new systems, developing new applications and providing assistance to all staff through their Help Desk.

Office of Governmental and Environmental Relations (OGER) – Handles all of the legislative issues for the Department including drafting new legislation, coordinating all bill analyses, representing the Department at legislative hearings and acting as the Department's liaison with legislative offices.

Quality Management and Strategic Planning – Coordinates the Department's strategic planning process and quality improvement programs.

Equal Employment Opportunity - Ensures the Department maintains an environment of employment equality.



The Division of Recycling

Program History

The Beverage Container Recycling and Litter Reduction Act (Act) was created by Chapter 624, Statutes of 1986. The enabling legislation, Assembly Bill 2020 (Margolin), was crafted to establish a comprehensive Beverage Container Recycling Program (Program) aimed at making beverage container recycling integral to the California economy. Commonly, this Program may be referred to as the “Bottle Bill” or “2020” Program. What distinguishes the California recycling program from the bottle-deposit programs established in other states is the collection and redistribution of processing fees and redemption values as a means of stimulating the market for used beverage containers. The challenge is to achieve the balance in which the incentives to recycle are sufficient to promote the reuse of beverage containers.



On October 8, 1999, the Governor signed SB 332 (Sher, Chapter 815) and AB 1244 (Olberg, Chapter 817). SB 332 made substantive changes to the Program by adding new beverage types, revising the calculation of processing fees, and adding a number of new expenditure programs for recycling-related activities. AB 1244 served as a trailer bill to SB 332, making numerous changes to the Program, including augmenting expenditures and providing clean-up language.

On September 25, 2000, the Governor signed SB 1906 (Sher, Chapter 731). Changes made by this bill were the addition of vegetable juice to the list of beverages included in the Program and the clarification of the definitions of noncarbonated soft drink, infant formula and medical food.

On October 10, 2003, the Governor signed AB 28 (Jackson, et al., Chapter 753). This bill took effect on January 1, 2004 causing several significant changes to the Program. The most significant change in AB 28 was the increase in the California Refund Value (CRV) from \$0.025 to \$0.04 per container under 24 ounces and from \$0.05 to \$0.08 per container 24 ounces and greater, in order to encourage consumers to return more containers. Other changes included the creation of a \$10 million market development grant program, an increase in the amount of handling fees available for convenience zone recyclers from \$23.5 million to \$26.5 million as well as eliminating volume barriers to handling fee eligibility. Changes to the processing fee and processing payment calculations were also included in AB 28.

The entire law governing this Program begins with Public Resources Code Section 14500. Regulations, which help to clarify this body of law, are found in the California Code of Regulations, Title 14, Division 2, Chapter 5.

Program Goals

The primary goal of the Recycling Program is to achieve an 80 percent recycling rate for all aluminum, glass, plastic, and bimetal beverage containers sold in California, thereby reducing the beverage container component of litter in the State. In addition, the Recycling Program is charged with several other broad mandates or goals. It must:



- ⇔ Ensure that every container type proves its own recyclability;
- ⇔ Make redemption and recycling convenient to consumers; and
- ⇔ Create and maintain a profitable beverage container recycling market.

On an annual basis, the Division develops a strategic plan designed to help us achieve our program goals. The plan and the associated action plans describe the specific steps that will be taken over the next year to achieve our goals. You can acquire a copy of the current strategic plan and action plan from your supervisor.

How Does the Program Work?

Beverage Containers

The following beverage types sold in aluminum, glass, plastic, and bimetal containers are included in the Program:



- ⇔ ***Beer and other malt beverages (e.g., Coors and Colt .45 Malt Liquor);***
- ⇔ ***Wine and distilled spirit coolers (e.g., Arbor Mist Wine Cooler and Seagrams Vodka Cooler);***
- ⇔ ***Carbonated and noncarbonated water, soda and mineral water, and similar drinks (e.g., Spa Sparkling Water, Dasani Water, Schepp's Tonic Water, and Crystal Geyser Mineral Water);***
- ⇔ ***Carbonated and noncarbonated soft drinks and sport drinks (e.g., Pepsi, Kool-Aid Burst, and Gatorade);***
- ⇔ ***Carbonated and noncarbonated fruit drinks that contain any percentage of fruit juice (e.g. Martinelli's Sparkling Cider, Hansen's Fruit Smoothies, and Odwalla Juices);***
- ⇔ ***Vegetable juice in containers of 16 ounces or less (e.g., V8 Juice); and***
- ⇔ ***Coffee and tea drinks (e.g., Starbuck's Frappuccino and Nestea Iced Tea).***

Beverage containers that are included in the Program are required to have a CRV message on the label. This message may read "California Redemption Value", "CA Redemption Value", "California Cash Refund", "CA Cash Refund", "CA CRV" or "CA Cash Refund".

The following beverages are **excluded** from the Program:

- ⇔ *Any product sold in a container that is not aluminum, glass, plastic, or bimetal;*
- ⇔ *Wine, or wine from which alcohol has been removed, in whole or in part, whether or not sparkling or carbonated;*
- ⇔ *Milk;*
- ⇔ *Medical food;*
- ⇔ *Infant formula;*
- ⇔ *100% fruit juice in containers 46 ounces or greater in volume;*
- ⇔ *Vegetable juices in containers greater than 16 ounces;*
- ⇔ *Distilled spirits; and*
- ⇔ *Other beverages not specifically included in law.*





Redemption Payments and California Refund Value

The Program is funded through redemption payments made to the Department by beverage distributors on each beverage they sell to a store. This product cost is passed on to consumers when they pay CRV on purchased beverages. The redemption payment revenues are deposited in the California Beverage Container Recycling Fund (Fund). Monies in the Fund are used to pay CRV to consumers when they redeem their empty beverage containers at certified recycling centers.

The following table shows the redemption payment and CRV rates per container as of January 1, 2004:

<u>Per Container Rates For All Material Types</u>		
<u>Container Size</u>	<u>CRV paid by beverage distributors to DOR</u>	<u>CRV paid by DOR to public</u>
Less than 24 ounces:	\$0.04	\$0.04
24 ounces or more:	\$0.08	\$0.08

On July 1, 2007, if the overall recycling rate is not at least 75%, the following CRV rates per container become effective:

<u>July 2007 Per Container Rates For All Material Types</u>		
<u>Container Size</u>	<u>CRV paid by beverage distributors to DOR</u>	<u>CRV paid by DOR to public</u>
Less than 24 ounces:	\$0.05	\$0.05
24 ounces or more:	\$0.10	\$0.10

Since not all beverage containers are recycled, unclaimed CRV remains in the Fund, and is used for:

- ⇔ **Quality Glass Incentive Payments** - \$3 million per year to processors and curbside recycling programs to promote the color sorting of glass containers;
- ⇔ **Handling Fees** - Annual payments of \$26.5 million to supermarket-sited recycling centers (\$2,300 per site maximum);
- ⇔ **Curbside Supplemental Payments** - Annual payments of \$15 million to curbside recycling and neighborhood drop-off programs;
- ⇔ **Recycling Market Development Grants** - \$10 million per year until January 1, 2007 for recycling market development and expansion-related activities;
- ⇔ **Grants to Local Conservation Corps** - \$15 million per year plus a cost-of-living adjustment (COLA);
- ⇔ **Competitive Recycling Grants** - \$1.5 million per year;
- ⇔ **Payments to Cities and Counties** - \$10.5 million per year for beverage container recycling and litter cleanup activities;
- ⇔ **Recycling Infrastructure Loan Guarantees** – Up to \$10 million in loan guarantees for capital expenditures for new recycling infrastructure in California;
- ⇔ **Public Education** - \$5 million per year to fund a statewide public education and information campaign; and
- ⇔ **Program Administration** - Approximately \$30 million per year for support of the Division of Recycling (Division).

The redemption payment/CRV mechanism encourages consumers to redeem their used beverage containers. While this produces a large supply of used beverage containers, it may still be less expensive for manufacturers to use virgin materials than to pay the costs for recycled containers. In such circumstances, where the cost to recycle is greater than the scrap value of the material, the Program imposes a processing fee.

Processing Fees

A primary goal of the Program is to foster beverage container recycling throughout the State. The success of this effort depends on the economic viability of the certified recyclers who are required to accept empty beverage containers. When the cost of recycling a particular type of beverage container exceeds the scrap value of that container, the Department must assess a processing fee on that container type. Beverage manufacturers pay processing fees to the Department and are credited in that amount by the container manufacturers. The Department forwards these revenues as 'processing payments' to processors who in turn pass a portion of them on to recyclers. The processing fee causes beverage container manufacturers to internalize the cost of recycling containers. It also helps to ensure a stable recycling infrastructure.

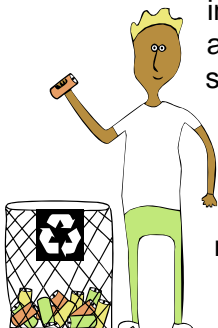


As of January 1, 2004, processing fees are assessed on glass, plastic and bimetal beverage containers because their scrap value is not sufficient to cover their recycling costs. Aluminum

beverage containers are not assessed a processing fee because the scrap value of aluminum exceeds its recycling costs.

Recycling Opportunities

One of the Program's primary strengths is the wide variety of convenient recycling opportunities that are now available to the state's diverse population. The number of recycling centers has increased more than fivefold since the Recycling Program began, growing from approximately 500 in 1987 to nearly 2,000 in 2004. Curbside collection programs serve approximately 67 percent of all single-family households, and 56 percent of all multi-family households. The number of curbside programs now exceeds 500, more than tripling the number of curbside programs that existed before the Department began registering them in 1989. The increasing number of curbside programs helps to make recycling convenient and contributes to growth in recycling rates.



There are five principal types of recycling operations that serve the public:

- ⇔ **Staffed Recycling Centers** - Staffed recycling ("buyback") centers may consist of a portable shed, kiosk, or trailer, a small scale and storage containers for recycled materials. They are generally operated by a single employee and must be open for business a minimum of 30 hours each week. The Division may certify a staffed recycling center to operate less than 30 hours per week if it is located in a designated rural region and meets other eligibility criteria. Currently, there are approximately 2,000 certified, staffed recycling centers operating in California, many of which are located in supermarket parking lots.



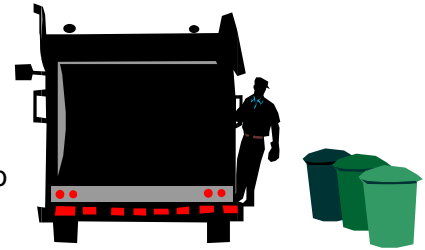
Some staffed recycling centers existed before the passage of the Act and are referred to as "non-convenience zone recyclers" or "old-line recyclers". These recyclers are often located in commercial or industrial areas. They often pay a higher scrap value on empty beverage containers than do the supermarket site recyclers, providing consumers with an extra incentive to recycle. Old-line recyclers were "grandfathered" into the Program; therefore they are permitted to operate as they did before the Act. For example, they are not required to redeem all beverage container types nor are they required to be open a minimum of 30 hours per week.

However, in order to attract larger volumes of used beverage containers, many of these facilities do accept all container types and are open more than 30 hours per week. There are approximately 80 recyclers with grandfathered status still operating in California.

- ⇔ **Automated Recycling Centers** - Some areas are served by automated reverse vending machines (RVMs) that accept glass, plastic, and aluminum beverage containers and pay CRV. Most RVM recycling centers are approximately the size of a one-car garage with two automated recycling receptacles. Most are accessible 24 hours a day. There are approximately 185 RVMs, most of which are located in southern California.
- ⇔ **Drop-off or Collection Programs** – Drop-off or collection programs are typically for-profit operations that maintain convenient collection receptacles where individuals and businesses can donate their empty beverage containers. These programs are prohibited from paying refund value to the public or to other certified recycling programs. Drop-off or collection programs may also collect donated beverage

containers from businesses such as bars, restaurants, hotels, motels, or office buildings. There are currently about 130 drop-off or collection programs operating in California.

↔ **Community Service Programs** - While similar to dropoff or collection programs, community service programs are operated by charitable organizations or public entities. For example, a school group, such as a student council, may set up donation receptacles at various locations on campus for students to donate empty beverage containers. These programs could use redemption proceeds to fund school group activities. Currently, there are about 115 community service programs operating in California.



↔ **Curbside Collection Programs** - Many people forego the refund value and instead choose the convenience of curbside recycling programs. These programs, which typically collect material in residential neighborhoods, can be operated by local governments, private industry, or nonprofit organizations. Currently, there are approximately 524 registered curbside recycling programs statewide serving the recycling needs of more than 18 million Californians and 10 million households.

Convenience Zones

What consumers want, and what the Program endeavors to provide, is convenience. Convenient recycling opportunities are provided to the public through the Program's unique convenience zone requirements. A convenience zone is the area located within a half-mile of a supermarket, or in some rural areas where certain criteria are met, within 3



miles of a supermarket. (A supermarket is defined as a full-line grocery store that has gross annual sales of at least \$2 million dollars.) Unless a convenience zone is exempted by the Division, a certified recycling center that accepts all beverage container material types and is open at least 30 hours a week must be operating within the zone. When this occurs, the zone is considered served. The exceptions to this are zones located in rural areas of the state. Rural zones can be served by rural region recyclers that accept all container types and operate less than 30 hours a week. All dealers (beverage retailers)

located in zones that are not served by a certified recycler are required to redeem beverage containers within their stores. There are approximately 3,000 convenience zones within the state, about 850 of which are exempted from the recycling center requirement.

As an added incentive for recyclers to serve a zone, convenience zone recyclers are offered handling fees if specific conditions are met. The recycler must be the only recycler in the zone and in most cases, must be located at a dealer site. Each year, \$26.5 million dollars is available for handling fees with each site eligible to receive a maximum of \$2,300 per month.

Program Participants

Program participants are businesses (and their representatives) that are directly affected by the Program. This includes approximately 30,000 entities as described below:



⇔ **Beverage Container Manufacturer** - This term refers to a commercial manufacturing business that produces beverage containers (*Reynolds Aluminum, Gallo, Owens-Brockway, Johnson Controls, etc.*).

⇔ **Beverage Manufacturer** - A beverage manufacturer fills various types of beverage containers or imports filled beverage containers, for sale to distributors, dealers, or consumers (*Anheuser Busch, Coors, Gallo, Coke, Pepsi, etc.*).

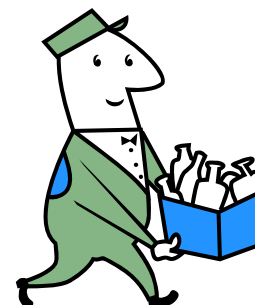
⇔ **Distributor** - A distributor sells beverages in beverage containers to dealers or consumers. A distributor may be a beverage manufacturer or an importer of beverages from outside of the state. Distributors include beer wholesalers (e.g., *Anheuser Busch*) and soft drink bottlers (*Coke, Pepsi, Seven-Up, etc.*) as well as companies that only distribute the beverages and are not involved in the beverage manufacturing process (*Aspen Distributing, Big Sur Beverage Company, etc.*).

⇔ **Dealer** - This term applies generally to any retail establishment that offers the sale of beverages in beverage containers to consumers. It primarily includes grocery, liquor and convenience stores (*Albertsons, Raleys, Jade Liquors, 7-11, etc.*).

⇔ **Consumer** - This term applies to individuals who purchase beverages from a dealer and pay CRV as part of the product's price.

⇔ **Recycler or Recycling Center** - There are five primary types of recyclers: staffed recycling centers, automated recycling centers, dropoff or collection programs, community service programs and curbside recycling programs. Many of the staffed recycling centers are located at supermarket sites. (*NexCycle, Tomra Pacific, EarthWize etc.*). The "old-line" recyclers are typically located in commercial or industrial areas. (*Delta Scrap and Salvage, Aaron Metals Co., etc.*).

⇔ **Curbside Program** - Curbside programs are affiliated with local governments to pick up empty beverage containers at residences. They do not pay CRV to the consumers. These programs receive \$15 million annually from the Beverage Container Recycling Fund in addition to specified CRV reimbursement and processing fees from recyclers or processors for the containers collected (*Browning Ferris Industries, Smurfit, Waste Management, Norcal, etc.*).



↔ **Processor** - Processors purchase empty beverage containers from recyclers, curbside programs, community service programs and dropoff and collection programs. They are certified by the Division to cancel (e.g., crush and shred) beverage containers so they cannot be resubmitted for payment of CRV. Processors normally handle large quantities of material and sell it to beverage container manufacturers or other end-users. (*Strategic Materials, Reynolds Aluminum, Anheuser Busch, Basic Fibers, Golden Aluminum, Schnitzer Steel Industries Inc.*, etc.).

↔ **Other End User** - There are some businesses that use recycled beverage containers to produce new products other than beverage containers (e.g., fiberglass insulation from recycled glass beverage containers). As with beverage container manufacturers, these end users purchase recycled materials from processors.

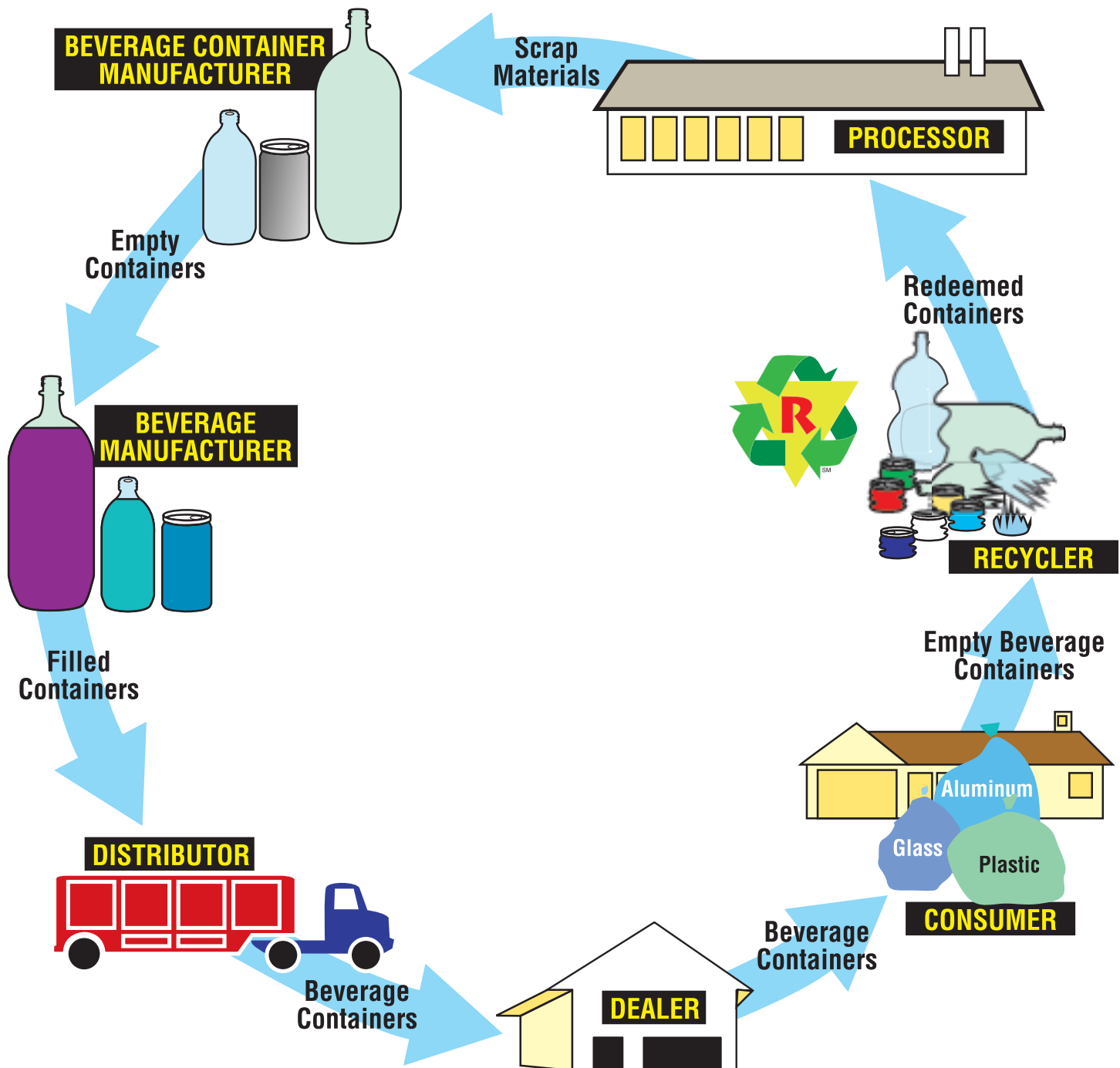


A graphic representation of the relationships between these program participants is depicted in the **Life Cycle of a Beverage Container** on the following page.

Flow of Funds

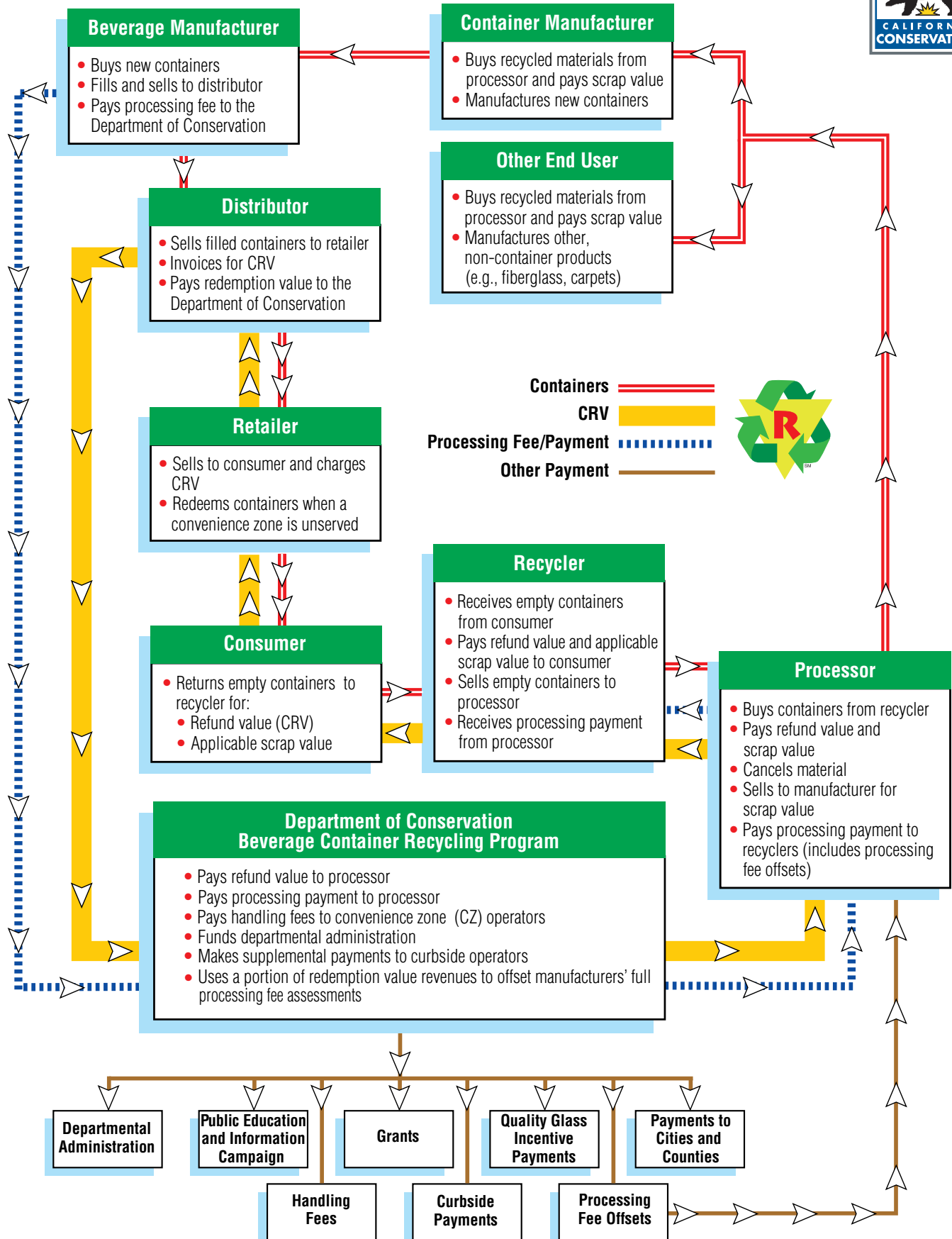
The receipt and payment of funds in the Recycling Program is complex. A flowchart is provided to clarify the flow of funds under the Recycling Program and can be found following the Life Cycle of a Beverage Container.

LIFE CYCLE OF A BEVERAGE CONTAINER



The California Beverage Container Recycling Act

Flow of Payments under the Beverage Container Recycling Program



Administrative Responsibilities

The Program's administrative responsibilities include:

- ⇔ Certifying, educating, monitoring and inspecting program participants;
- ⇔ Calculating handling fees, curbside supplemental payments, processing fees, processing payments, scrap values, and recycling costs;
- ⇔ Performing individual and statewide commingled rate studies. These studies are needed to establish the average refund value per pound of commingled (CRV and non-CRV) loads of containers that are presented for redemption. This statistic allows recyclers to pay consumers based on the gross weight of commingled loads of containers. If a recycler believes that the statewide commingled rate does not fairly reflect loads received at its recycling center, it may request an individual commingled rate study;
- ⇔ Administering a statewide system of convenience zones, including the analysis of zone exemptions and unserved zones;
- ⇔ Performing compliance audits on recyclers, processors, beverage distributors and manufacturers;
- ⇔ Investigating/monitoring transactions to prevent fraud and the payment of CRV on ineligible containers;
- ⇔ Performing internal peer reviews of audits, reviews, and investigations to ensure accuracy and consistency;
- ⇔ Facilitating the demand for glass, plastic, and aluminum materials;
- ⇔ Administering minimum content laws for glass bottles and fiberglass insulation sold or manufactured in California;
- ⇔ Administering a competitive grant program and a local government payment program;
- ⇔ Establishing and enhancing Local Conservation Corps recycling programs through technical assistance and grant funding;
- ⇔ Promoting beverage container recycling by administering a statewide public education and information campaign and through other outreach services;
- ⇔ Performing litter surveys to determine the beverage container component in roadside litter;
- ⇔ Maintaining a toll-free telephone line information system;
- ⇔ Conducting basic research, developing statistics, preparing reports, and disseminating information;
- ⇔ Receiving and disbursing funds (redemption payments, refund value, processing fees, processing payments, handling fees, quality glass incentive payments, curbside supplemental payments, local government recycling payments, fines and penalties); and
- ⇔ Projecting and monitoring cash flow.

These administrative responsibilities are handled by the Division's Administration and its seven branches; Policy & Analysis; Certification Services; Industry Services, Audits; Investigations; Market Research and Community Outreach. A description of the Administration and each of the branches follows.



Administration

The Division's Administration is responsible for the overall management of the Beverage Container Recycling Program, including establishing program policies and procedures and coordinating all administrative functions. Jim Ferguson, the Assistant Director for Recycling and Deputy Chief Dana Stone manage the program and coordinate the efforts of the staff in DOR Administration.



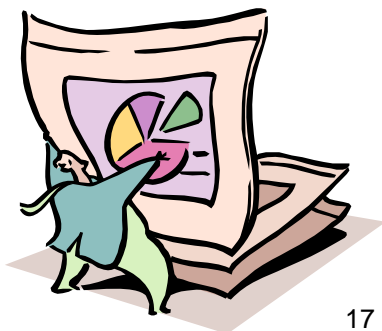
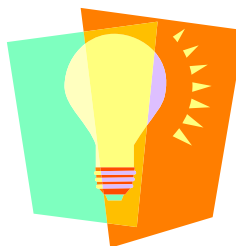
Jim Ferguson



Dana Stone

The staff and management within the Administration are responsible for the following:

- ✱ Developing and administering the Division's policies and procedures;
- ✱ Preparing, coordinating, and monitoring the Division's budget;
- ✱ Performing accounting functions;
- ✱ Coordinating procurement of all equipment and supplies and payment of all invoices;
- ✱ Coordinating and providing technical assistance on all personnel-related actions, such as hiring, promotions, etc.;
- ✱ Preparing, coordinating and approving contracts;
- ✱ Coordinating the Division's waste reduction and energy conservation programs;
- ✱ Coordinating the Division's workforce development program;
- ✱ Coordinating the Division's strategic planning; and
- ✱ Developing cash flow analyses, fiscal forecasts, and computer models for all beverage container recycling program funds.





Policy and Analysis Branch

The Policy and Analysis Branch (PANDA) provides Division-wide program support in a variety of key areas and has two sections: Legislation and Regulation, and Divisional Analysis.

In addition to the programs administered by the two sections, the branch is charged with coordinating the design and installation of the long-awaited Division of Recycling Integrated Information System (DORIIS). DORIIS will be a web-based application that pulls together into one system all of the numerous data systems currently used throughout the Division. This will enhance staff's capabilities by allowing them to access all information related to a particular participant. In addition, program participants will benefit through their ability to electronically submit applications and required reports to the Division. Consumer benefits include an electronic recycling center locator.



Legislation and Regulation Section

The Legislation and Regulation Section is responsible for reviewing and suggesting legislative and regulatory changes to the program. When legislative bills propose changes to the Beverage Container Recycling law, the staff evaluate the impact of those changes. The staff also make a recommendation for the Division's policy position on a bill, i.e., whether it supports or opposes the legislative changes. In addition, the Division may wish to make significant changes to the recycling program. When this occurs, the staff develop legislative proposals for the program changes that require legislation.

Regulations are developed to clarify the law. The staff are responsible for developing proposed regulations, or reviewing requests for proposed regulations that may come from the recycling community. In doing so, the staff work closely with the various Division branches, our departmental Legal Office, and the State's Office of Administrative Law to adopt the new regulations. The establishment of regulations is also referred to as the "rulemaking" process.

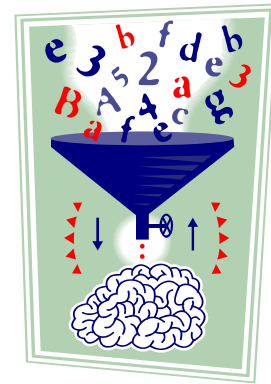
The Divisional Analysis Section

The Divisional Analysis Section manages the Division's fiscal intermediary contract and conducts the Division's business process improvement program.

The Division strives to continuously improve its programs by improving the processes used by the staff and the information made available to them. To accomplish this, business process improvement projects (commonly called BPIs) are coordinated by the Divisional Analysis Section. Through these projects, staff work with the individuals in the programs being evaluated to facilitate changes. They document current methods used to perform tasks, evaluate them, develop proposed changes and implement approved changes.

The Divisional Analysis Section also manages the Division's Data Library. The Data Library provides a single location for much of the Division's operating data to be used for program analysis and management.

IKON Business Information Services (commonly referred to as IKON), is the Division's fiscal intermediary contractor. IKON receives CRV payments from distributors and processing fee payments from beverage manufacturers and makes payments to processors based upon their reported volumes of recycled materials. IKON processes over 500,000 participant documents per year, develops detailed reports and maintains historical program data.





Certification Services Branch

The Certification Services Branch is comprised of three sections that are overseen by Christy Birkinshaw, the Branch Manager. The sections are the Certification Section, the Recycler Training and Review Section and the Recycler Inspections Section.



Christy Birkinshaw

The primary responsibility of the Certification Services Branch is to provide services to recycling centers, processors, dropoff and collection programs, community service programs and curbside recycling programs that draw funds from the Beverage Container Recycling Fund.

Certification Section

The Certification Section is responsible for certifying California recyclers. These certified programs are recycling centers, processors, dropoff or collection programs, and community service programs. The section also registers curbside recycling programs.

The functions that go along with ensuring that these programs are certified and registered with the Division are varied. The section provides technical assistance to current and potential operators of certified or registered facilities and programs. Staff conduct program reviews to give new applicants an overview of the Recycling Program and the responsibilities of certified recyclers.



To ensure that certifications and registrations remain current, the section processes renewal applications and monitors expiration dates and the probationary status of the sites. Certified recycling centers and processors are required to renew their applications every five years; dropoff and collection programs and registered curbside programs every two years. In addition, staff process decertification requests received from the program participants.

The Certification Section also maintains computer database records of certified and registered operators, facilities, and programs. It includes the facility name, location, hours of operation and materials collected, among many other data items. These records are updated upon notification from the participant.



In addition to certifying program participants, the section also has a variety of responsibilities related to monitoring and assisting the participants. Staff coordinate the calculation and distribution of supplemental payments to neighborhood dropoff and curbside programs. In addition, when a processor wants a recycling center or another processor to perform the cancellation of beverage containers on their behalf, they officially request an Authorization to Cancel. The requests are reviewed and analyzed by staff in this section. It is the processor's

responsibility and a condition of their certification that received material is cancelled in a manner so those containers can't be redeemed for CRV more than once. Examples of cancellation are: shredding aluminum or plastic containers, delivering containers to a company that will make the containers into new products, exporting the containers from California, etc. If approved, the authorization may be for a period of up to one year. Processors may request authorizations for multiple recyclers and, conversely, a recycler can be authorized to cancel for multiple processors.







Recycler Training and Review Section

The Recycler Training and Review Section is responsible for providing ongoing training to recycling centers and processors and monitoring their compliance with the law. The staff in this section work out of the Sacramento office as well as the field offices in Los Angeles and San Diego.

Although the Certification Section provides newly certified participants with preliminary training, they need additional record keeping training after they have been operating for approximately three months. The follow-up training conducted by this section is called a limited review. Limited reviews are also conducted when a participant requests additional training or when one of the other branches within the Division indicates a facility needs more training.

Through a limited review conducted at the site, staff train the operator of the facility by doing the following:

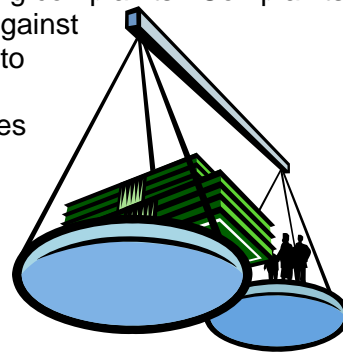
-  Interviewing the operator and completing a questionnaire to determine the operational procedures they are using;
-  Inspecting the site and watching the operational procedures to evaluate items such as their pricing, the posting of signage, the inspection and handling of materials and the completion of paperwork;
-  Going over the paperwork procedures with the operator by reviewing the Recycler Operating, Record keeping and Accounting Requirements manual; and
-  Reviewing their receipts, logs, daily summaries, and shipping reports to determine if they have been properly completing them.



While at the site, staff let the operator know what changes need to be made in their operational and record keeping procedures. Typically, these visits are for training purposes only and therefore no citations are issued or penalties given. Repeat violations, however, can result in civil penalties and/or restitution. The site visit is always followed up with a letter to the operator reiterating the auditor's findings. These visits may also disclose possible fraudulent activity. In these instances, referrals are made to the Audits and Investigations Branch.

A similar review is conducted near the end of the probationary period of the certification. This is called a probationary review. Staff assess and recommend to the Certification Section whether full certification should be granted.

Staff in this section also investigate the validity of predatory pricing complaints. Complaints of predatory pricing may be filed by one recycling center operator against another. Predatory pricing is the practice of using handling fees to pay inflated scrap value prices to gain an unfair advantage over other recyclers. Predatory pricing only applies when handling fees have been received by the accused recycler. When the Division receives complaints from recyclers regarding this practice, the accusation is investigated by determining the average scrap value paid by recyclers located within no more than 5 miles of the accused recycler (10 miles for a rural region recycler). If the allegation is proven to be correct, the accused recycler loses its right to receive handling fees for a specified period of time.



Complaints received by the Division about recycling centers are also handled by this section. The complaints are generally received through the Division's toll-free telephone line and are typically from the general public or another certified recycler. The complaints may concern some aspect of the law or the way a particular recycling center is operating. The complaint is either handled at the time of the initial call by addressing their questions or via a follow-up call after inspectors have checked the complaint issue during an inspection.



This Section also reviews and approves or denies requests for two types of alternative methods of reporting-- the consolidated shipping report and the allocation of materials to curbside programs. This work entails some detailed analysis of the methods proposed by the program participant. To reduce paperwork, certified recycling centers and processors may request to use a consolidated shipping report instead of completing a separate shipping report for each delivery of material from persons other than consumers. If they receive material from multiple curbside programs, they may also request to designate a percentage of the total weight by material type to each program rather than reporting the actual weights per truck. These percentages are based upon data collected by the curbside operator, recycling center or processor and must conform to the outgoing weight of the material. These requests for alternative methods of reports must be approved by the Division prior to implementation.




Recycler Inspections Section

The Recycler Inspections Section has staff that work out of the Sacramento Office and the Los Angeles and San Diego Field Offices. The section primarily conducts inspections at recycling centers to determine if they are operating as required. In addition, this section trains all newly certified recycling centers on the operational requirements of being a certified recycler. The Division inspectors meet with the owner/operator and conduct a hands-on training session complete with a training manual that includes visual aids. This training manual is left with the recycler for their future reference.

During the undercover inspection process, the inspector checks that:

-  The recycling center has not closed down and, therefore, is not considered an abandoned site;
-  The recycling center is open for business when it is supposed to be;

-  All of its required signs are properly posted, including the Open Sign, the Certification Sign, the Hours Sign and the Price Sign;
-  The hours listed on their Hours Sign matches their hours as stated in the certification file;
-  The recycling center accepts and pays for all beverage container materials that they are certified to accept;
-  The attendant inspects the materials brought in for recycling to determine what percentage of the load is CRV material;
-  The scales are properly sealed by the local weights and measures authority; and
-  The attendant accurately completes the recycling center's logbook and pays the consumer the appropriate amount of money.



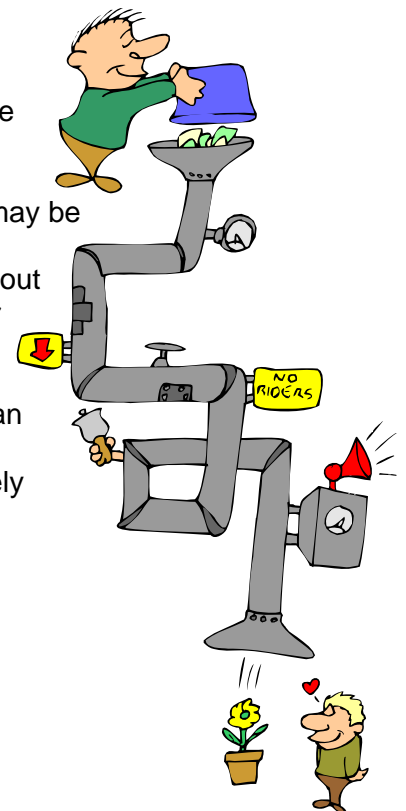
When a recycling center is found to be out of compliance, staff issue notices of non-compliance (warning) and violations (ticket) as necessary and conduct follow-up visits until compliance is achieved. If a scale is not properly sealed, staff refer to recycling center to the local weights and measures authority with a copy to the CA Department of Food and Agriculture, Measurement Standards Division.

When a recycling center has shut down but has not yet been decertified, it is considered an abandoned site. If this occurs, any convenience zone they were located in continues to be "served" and the recycler's location continues to be listed on the Division's toll-free telephone listing of recyclers. Therefore, it is imperative to decertify closed locations as soon as possible. Once abandoned recycling sites are identified, staff attempt to locate the recycling center operator to encourage him/her to voluntarily decertify their location. If the operator cannot be contacted and the certification in probationary, the site is referred to the Certification Section for certification termination. Otherwise, it is referred to the Audits and Investigations Branch to begin the legal process required to revoke the certification for the site.



Occasionally, the Division is made aware of recycling center sites that may be operating without being certified. Staff in this section inspect the site to verify its existence and determine its certification status. Information about non-certified sites is referred to the Audits and Investigations Branch for further investigation.

To assist in the coordination of the inspections program, staff maintain an inspection history database file. This allows staff to know the previous citations received by each facility, to ensure return visits are appropriately scheduled and to identify recyclers that should be investigated by the Investigations Branch.



Industry Services Branch

The Industry Services Branch is responsible for educating, monitoring and regulating beverage manufacturers, beverage distributors and beverage retailers. The Branch is overseen by John Panenka, the Branch Manager and is divided into three sections; the Convenience Zones Section, the Dealer Services Section and the Beverage Manufacturers and Distributors Section. The staff in the Branch are located in Sacramento as well as the field offices in Los Angeles and San Diego.



John Panenka



Convenience Zones Section

The primary responsibilities of the Convenience Zones Section include the development and maintenance of the mapping of convenience zones, recycling centers, processors and dealers. This data is analyzed to determine status and responsibility of convenience zones and dealers and to qualify participants for program payments.

The Convenience Zones Section establishes the convenience zones around the State. These zones are the areas designated within a one-half mile radius of every major supermarket doing at least 2 million dollars in annual gross business. The section creates maps of these zones using Geographic Information Systems (GIS) technology. Supermarkets and other beverage retailers, commonly called dealers, that are within these zones are responsible for providing a redemption opportunity in that zone, which can either be a recycling center in the zone or redeeming consumers' containers in their stores. A zone that is served by a recycling center is considered a "served zone" and if there is no recycling center, the zone is deemed an "unserved zone" in which dealers in that zone must redeem any beverage containers presented by consumers for redemption.



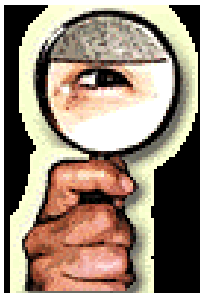
The Convenience Zones Section is also responsible for awarding exemptions to the convenience zone redemption requirement. The Department may exempt up to 35% of all zones from the redemption requirement as long as the opportunity to redeem containers is conveniently available to the public.

The Convenience Zones Section also determines the eligibility of convenience zone recyclers for handling fees. Handling fees are a subsidy to convenience zone recyclers of up to \$2,300 per month to offset the high cost of providing recycling in a zone, as long as they recycle more than 60,000 containers monthly. Each month, recyclers submit a Handling Fee Application (DR-14), which is reviewed to determine if they are eligible for that month's subsidy.



The section uses Geographic Information System (GIS) technology to display the location of convenience zones and many of DOR's program participants (primarily recyclers, processors, supermarkets and other dealers). GIS consists of computer hardware, software and data. It is an integration of

participant information (name, address, ID number, etc.) and geographic data. The section uses GIS to produce maps for stakeholders and to perform geographic analysis. The GIS information is also available to Division staff and management via the intranet (internally).



Dealer Services Section

The staff of the Dealer Services Section work out of the Sacramento Office and the Los Angeles and San Diego Field Offices. The section primarily conducts inspections at dealers (beverage retailers) to determine if they are operating as they should be.

When inspecting a dealer, the inspector checks for the following:

- ◆ The store has a dealer sign with the location of the nearest certified recycling center posted at each entrance to the store;
- ◆ The CRV beverages that the store sells are properly labeled with the CRV message;
- ◆ Stores that are greater than 4,000 square feet in size have shelf labels or tags that indicate the price plus CRV for their beverages; and
- ◆ If required to redeem containers in the store, their dealer sign states this and they properly redeem the containers.

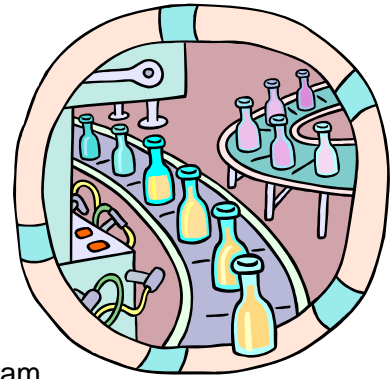
(Dealer Sign)



In addition, the Dealer Services Section handles complaints made about dealers. Complaints are generally received through the Division's toll-free telephone line and are typically from the general public and concern some aspect of the way a dealer is operating. The complaint is either handled at the time of the initial call by addressing their questions or via a follow-up call after inspectors have checked the complaint issue during an inspection.

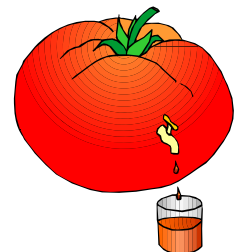
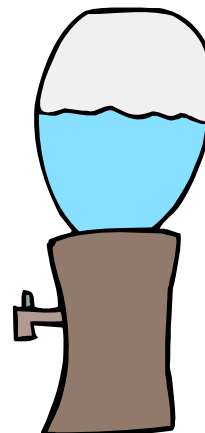
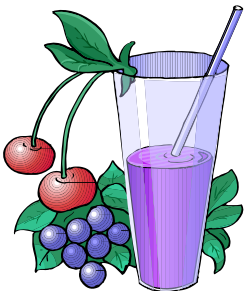
Beverage Manufacturers and Distributors Section

The Beverage Manufacturers and Distributors Section, which employs 8 staff is responsible for assuring that the proper CRV and processing fee payments are being reported and paid to the Division of Recycling. This includes identifying the beverage types that are subject to CRV and their corresponding beverage manufacturers and distributors. Once identified, the beverage manufacturers and distributors are notified of their Recycling Program responsibilities.



The section tracks the payments made by beverage manufacturers and distributors to identify late reporting and patterns of improper payment. When late or non-reporters are identified, the section refers the case to the Audits and Investigations Branch for further review. The work associated with tracking manufacturers and distributors includes providing technical assistance to ensure compliance with the law and regulations. The section also reviews and approves requests from beverage manufacturers and distributors to report annually, rather than monthly and reviews and approves beverage container labels to ensure that the CRV message is properly applied.

Aside from working with beverage manufacturers and distributors, staff also prepares the Division's mailing labels for official mailings to most of the program participants.



Audits Branch

The Audits Branch reviews the records of beverage manufacturers, distributors, recyclers, and processors, to determine whether they have complied with the law. Beverage manufacturers and distributors are audited to ensure that they have properly reported the number of beverage containers sold in California. These sales numbers determine the amount of money beverage manufacturers and distributors should pay into the California Beverage Container Recycling Fund (Fund).



Mark Steinwert

Recyclers and processors are audited to determine whether they have properly reported the amount of recycled material collected from Californians. The amount of material collected determines how much money should be paid from the Fund to recyclers and processors.

Audits Branch activities are overseen by Mark Steinwert, the Branch Manager. The branch has three offices located in Sacramento, Los Angeles, and San Diego.

Sacramento, Los Angeles & San Diego Field Offices

The staff in these offices is responsible for auditing program participants (beverage manufacturers, distributors, processors, and recyclers) in each of their respective areas. The Sacramento Field Office is responsible for covering all counties North of San Luis Obispo. The Los Angeles Field Office is responsible for covering Los Angeles, Ventura, Santa Barbara, San Luis Obispo and Kern Counties. The San Diego Field Office is responsible for covering San Diego, Imperial, Riverside, Orange and San Bernardino Counties. They are all responsible for the following programs:



Audits -- An audit of a program participant is a complete review of all records related to their activity as a participant in the State Recycling Program during the three-year period prior to the beginning of the audit. These audits focus on paperwork (e.g., receipts, logs, shipping reports and distributor reports) that verifies all claims to the State for reimbursement by recyclers and processors, payment of refund value by distributors and payment of processing fees by beverage manufacturers. Distributor Reports (DR-3) are completed by distributors for each month of beverage sales. Distributors file these reports with the Department and send the applicable CRV payment with the report. Beverage Manufacturer Reports (DR-4) are completed by beverage manufacturers for each month of beverages sold that are packaged in a container that carries a processing fee. These reports are forwarded to the Department with the applicable processing fee payment.



To document the transactions between the recycler and the public, logs and receipts are completed by recyclers when they purchase beverage containers from the public. A Shipping Report (DR-6) is the report that is completed by the recycler that documents the container purchase activity of a recycler for a specified period of time. Separate shipping reports are completed for each individual container material type and sent to the processor with each load of material. A Processor Report (DR-7) is completed by the processor for each container material type and is a summary of all purchases from recyclers during a specified period. These reports are sent to the Department for reimbursement of CRV paid to recyclers.

Audits are scheduled in an annual work plan and supplemented throughout the year with other reviews that need to be performed as a result of detected wrongdoing on the part of a participant.

◆ **Status 3 Reviews** -- Status 3 reviews were initiated in late 2003 to assist the Industry Services Branch in determining what distributors are responsible for paying CRV. Status 3 distributors are distributors that claim that another entity is willingly paying CRV to the State on their behalf. The audits, performed in conjunction with this project, focus on determining if another entity is truly paying on their behalf and, if so, whether or not they are paying the proper amount to the Department.



◆ **Processor Reviews** -- The Audits Offices are also responsible for performing reviews of processors certified in the Recycling Program. These reviews involve the reconciliation of the purchases of beverage containers from certified recycling centers and the sale of those materials to end-users. These reviews are conducted to verify that all beverage container materials sold by recyclers to processors are cancelled properly and are sold as scrap to valid end-users. This is done to ensure that those materials that have already been redeemed are not sold to people who will attempt to redeem them again for CRV.

Investigations Branch



The Investigations Branch is responsible for identifying program participants that are submitting fraudulent claims for CRV or processing



Dennis Stone

fees to the Department of Conservation. The branch is comprised of four offices, the Investigations Sacramento Office, the Investigations Los Angeles Office, the Investigations San Diego Office and the Accusations, Collections & Data Management Office and is overseen by Dennis Stone, the Branch Manager.

Sacramento and Los Angeles Investigations Offices

The Investigations Office is staffed by employees that work out of the field offices located in Sacramento, Los Angeles and San Diego. The Offices are responsible for a variety of programs that are designed to prevent the improper claiming of program funds. They work very closely with the Certification Services Branch and the Legal Office to permanently eliminate from the program, people committing fraud. The programs operated by the Investigations Offices include:



Fraud Prevention Program --The purpose of this program is to minimize the risk of fraudulent claims being paid from the Fund. The staff reviews data and information from certified recycling centers to determine the degree of risk that they pose to the Fund. Recycling centers that pose an unacceptable risk or a significant risk to the Fund are completely investigated and prohibited from submitting false or unverified claims for payment of CRV. Staff recovers any illegal payments made from the Fund, as a result of follow-up fraud prevention investigations performed on high-risk recyclers. Recycling centers that deceptively claim illegal payments of CRV are referred to the Department's Legal Office to revoke their certification and may ultimately be referred to the Department of Justice for criminal prosecution. In addition, staff responds to information provided through 1-866-CANLOAD, the Division's toll-free telephone line that allows individuals to report fraudulent activities.



Questioned Document Analysis Program -- This program includes the forensic examination and analysis of ink, handwriting and mechanical impressions on documents produced by recyclers and processors to justify their claims for CRV. It employs the use of technical instruments that allow the Division to detect subtle differences that occur when recyclers try to alter documents to illegally claim CRV from the Fund. This program provides the evidence to successfully stop fraudulent claims from being submitted and assists in expelling fraudulent recycling



operators from the program. Over the past five years, the detection of fraud by staff in this program has saved the Fund millions of dollars.

Recycler Load Inspection Program -- The purpose of this program is to increase recycling centers' compliance with laws and regulations related to payment of CRV on beverage container materials. The program begins at a processor facility with on-site inspections of material submitted by recycling centers to a processor. The loads of materials are inspected along with the associated shipping reports (DR-6), which is the actual document submitted to the processor by the recycler to claim reimbursement of CRV for the load. The material is inspected for eligibility and compared to the DR-6 claim and weight ticket. If the material qualifies for CRV payment, and the documentation is valid and complete, payment is authorized for the load. If ineligible material is detected in the load, the receiving processor is authorized to withhold payment of CRV while the investigator conducts an immediate inspection of the recycling center submitting the load and DR-6. The supporting records, purchase practices and on-hand inventory of the recycling center are also examined at this time. This review determines whether or not other fraudulent claims have been submitted and substantiated using falsified logs and receipts by the recycler. If this review determines that the claim is valid, payment of CRV is authorized. The investigator then explains to the operator and their staff the reason for the visit and how to avoid visits of this nature in the future. If the investigator finds that the load has bad material in it or the associated paperwork does not appear to be valid, payment of CRV on the load is either denied or adjusted.



Prepayment Reviews – Prepayment reviews are limited scope investigations of a recycling center's operating and reporting procedures. They are designed to identify the improper payment of refund value. Staff inspects shipments of beverage containers and reviews associated purchase records to ensure that their claims are valid. At times, these inquiries lead to larger scope investigations and when criminal fraud is suspected, cases are referred to the Environmental Crimes Unit of the Department of Justice (DOJ), Bureau of Investigation for criminal prosecution. The Department has an ongoing contract with the Department of Justice to investigate all criminal fraud in the Recycling Program. During investigations of illegal claims on the Fund, recycling centers found to have suspicious claims are put on our Prepayment Inspection List and are required to call in to have their loads inspected, prior to payment of CRV on those loads.

Out-of-State Container Reviews -- Investigations are conducted on non-certified entities that are believed to be redeeming out-of-state beverage containers, rejected containers, and previously redeemed containers at certified recycling centers. Staff reviews recycling center records of larger shipments of containers to identify entities that are bringing large regular basis. Investigators then visit these entities to determine the source of the containers could be previously redeemed, rejected from a beverage distributor's operation or coming into California from out-of-state, surveillance of the entity is initiated and the source is verified. This information is then forwarded to the Environmental Crimes Unit of DOJ for criminal investigation and prosecution. The Investigations Office then initiates a civil investigation of any certified recycling centers, involved in the redemption of those containers, to remove them from the program and recover all monies illegally claimed by those recyclers. The Branch also follows-up on all tips received on the Fraud Tip Line regarding previously



redeemed, rejected or out-of-state shipments of containers and initiates investigations when wrongdoing is suspected.



Consumer Transaction Profiles – These profiles are done to determine whether or not the volumes of material claimed by a recycling center are valid. These profiles are initiated when investigators suspect that a recycling center is claiming an unrealistic volume of containers. Investigators spend several days at a recycling center recording information on every load of materials brought to the site. This provides an opportunity to discuss with the operator any procedural problems noted by the inspector. It also provides the investigators with a basis for comparing the material redeemed, while the investigators are on-site, with the volumes that have historically been redeemed at that site. This allows the investigator to determine the reasonableness of the volumes reported and claimed by the recycler. If it appears that the volumes claimed are not reasonable, the forensic analysis staff reviews the logs and receipts from the center for falsification. In cases where the volumes are too small to support normal claims, falsified receipts and/or logs are normally found. Once fraud has been established, the Investigations Office moves to have the center's certification revoked and recover funds improperly paid to that recycling center.

Accusations, Collections & Data Management Office

This office primarily works out of the Sacramento office and is responsible for providing the data analysis and legal support for the Branch's investigative work. They ensure that the Branch accurately and consistently applies established regulations, policies, and procedures when conducting investigations.

The Office is responsible for analyzing all recycler and processor data flowing into the Division as a support group to investigators. Data is aggregated and analyzed to find variations and/or anomalies in recycler and processor volumes. They also look for double claiming on shipping reports or processor reports and analyze all data from other Division of Recycling units to assist in directing the efforts of investigators.



The staff in this Office also prepares accusations. Accusations are the first step in the formal administrative hearing process and are prepared and filed against participants of the program when one of the following occurs:

- ◆ The participant is either a beverage manufacturer or beverage distributor that failed to comply with reporting and payment requirements and failed to comply after repeated notification by the Client Services Section of the Industry Services Branch;
- ◆ The participant failed to pay restitution and/or civil penalties that have been assessed against them as a result of an audit, review or investigation;
- ◆ The participant is either a recycler or processor that has committed serious offenses against the California Beverage Container Recycling and Litter Reduction Act and therefore the Department wants to revoke their certification; or
- ◆ The participant is a recycling center operator who abandoned their site without notifying the Department.

In most instances, the Office prepares the accusation for review by the Legal Office. Once it has been determined that an accusation is necessary, a specific attorney in the Legal Office is assigned to the case and works together with the Office and the staff that conducted the original review. After the accusation has been filed and served, staff track the progress to the ultimate resolution of the case.

This Office is also responsible for conducting all collection actions on behalf of the Division, including collecting restitution, fines and penalties from distributors, beverage manufactures, recyclers and processors and preparing settlement and payment agreements.

In addition, the Accusations, Collections & Data Management Office also:

- ◆ Develops and maintains the Investigation Manual used to inform staff of the Division's policies and procedures;
- ◆ Assists in training auditors within the branch on the appropriate procedures;



Market Research Branch



The Market Research Branch is organized into two sections that are responsible for conducting basic research, developing statistics and facilitating the demand for recycled glass, plastic, aluminum and bimetal materials. Chuck Seidler is the Manager of the Branch.



Chuck Seidler



Market Statistics Section

The Market Statistics Section is primarily responsible for determining several rates or figures that are used to assure the proper payment of CRV and processing payments and fees. The rates and figures determined by the section include the following:

- ➡ **Commingled Rate** - A commingled load of recycled materials is a load that contains both CRV and non-CRV containers of the same material type. The commingled rate is the percentage of CRV material in a commingled load. Having a commingled rate enables a consumer to take a mixed load of recyclables to a recycler and get paid CRV without having to separate the CRV from the non-CRV materials. To determine the commingled rate, all types of recyclers are surveyed by staff to determine the average ratio of CRV to non-CRV materials in a load by the type of recycler (recycling center, curbside program, etc.). The commingled rate is then determined and used as the basis for the refund value paid by the Department for commingled loads. Curbside programs and drop-off and collection programs can request an individual commingled rate if they believe their rate should be higher than the statewide average. Staff also manage programs to establish and monitor individual commingled rates.
- ➡ **Refund Value per Segregated Pound (RVSP) and Refund Value per Commingled Pound (RVCP)** – Recyclers typically pay CRV to consumers based upon the weight of their materials rather than the number of containers in the load. The RVSP rate calculated by this section is the statewide average amount of CRV per pound to be paid by the recycler for a fully segregated (100% CRV) load of materials. The RVCP rate calculated by this section is the statewide average amount of CRV per pound to be paid by the recycler for a commingled load of materials.
- ➡ **Containers Per Pound Rates** - For each material type (aluminum, glass, plastic (resins #1 - #7) and bi-metal), the average number of containers per pound is determined. This rate is used for a variety of purposes, including determination of recycling rates and processing fees.



- ➡ Processing Payments and Fees – Recyclers and processors make their profit from the scrap value they receive when they sell their materials. When the cost of recycling a beverage container exceeds the scrap value of that container, a processing fee and payment is established for that container material type. The beverage manufacturer pays a processing fee to the Department and the Department uses those funds to make processing payments to processors, who then forward the payment on to recyclers. Typically, aluminum does not have a processing fee as its scrap value makes aluminum profitable. The staff in this section determine the processing payments and processing fees to be assessed for each material type.

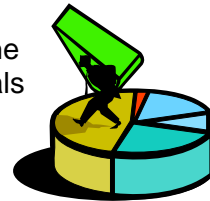


- ➡ Cost Surveys – Staff perform surveys to determine the costs incurred to recycle each material type. Recycler's annual tax records, financial statements and payroll schedules are evaluated to determine these costs. The results of the cost surveys are used for calculating processing payments and processing fees.

- ➡ Litter Surveys – These surveys are conducted periodically on the State of California's infrastructure of roads to document the amount of roadside litter and to determine the beverage container component of the entire mass of litter. After the data has been collected, a litter study is published. This information is used to measure the effectiveness of our program and is also used by other state agencies such as CalTrans to measure the effectiveness of their programs.



- ➡ Participant Share Analysis – This analysis determines the percentage of beverage containers that are being recycled by the various types of recycling programs. The percentage of materials being recycled by each type of program is determined for each material type. This information is used to analyze the impact of proposed legislative changes and as a means of evaluating the effectiveness of the various types of recyclers.



Market Expansion Section

The Market Expansion Section is primarily responsible for improving the markets for California's recycled beverage containers; thus ensuring the economic viability of the State's recycling program.

The primary activities conducted by the Section include the following:

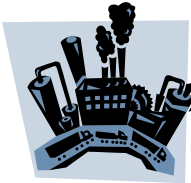
- ➡ Determining the statewide average scrap value for aluminum, glass, plastic (resins #1 - #7) and bimetal beverage containers. Scrap value means the price paid in the market place for used beverage containers, after shipping and handling costs are deducted. It does not include the CRV. The scrap value is used in calculating processing payments and processing fees.
- ➡ Determining the statewide recycling rate and redemption rates. These rates are determined for each material type. They basically represent the percentage of the total number of beverages that were bought by consumers that actually get recycled. They are used to measure the success of our Recycling Program.



- ➡ Monitoring minimum content laws for glass containers and fiberglass insulation. Minimum content refers to a law that requires glass beverage containers to be made of at least 35% recycled glass (referred to as cullet) and fiberglass to be made of at least 30% cullet.

The Section works to expand and improve markets by offering the following services:

- ➡ Offering \$10 million annually in grants for market development and expansion-related activities aimed at increasing the recycling of beverage containers.
- ➡ Issuing up to \$10 million in recycling infrastructure loan guarantees. This applies to loans used to add recycling capacity or enhance the production of products made from recycled beverage containers.
- ➡ Providing beverage container material processing and end-use information to state and local government, private industry, and the public. This information is used to inform recyclers and processors of the businesses that will buy their materials.
- ➡ Assisting processors in finding markets for their materials they are about to landfill. The section receives requests for authorization to dispose of redemption material and works with industry to avoid disposal if possible. In addition, when processors have loads of glass that are destined for the landfill because of the high percentage of non-glass materials, they may request approval to clean the glass. They use a process that removes the contaminants from the load thereby creating a load that is acceptable to glass manufacturers, allowing the processor to claim CRV on the load.
- ➡ Identifying and evaluating improved processing and manufacturing technologies used on recycled beverage container materials. This information is used in creating new markets for our recycled containers.
- ➡ Collaborating with other state agencies to encourage the establishment of new businesses in California that utilize recycled materials in the manufacturing of their products.
- ➡ Conducting the quality glass incentive payment program. Most manufacturers of glass products use one color of glass or a specific mix of colors of glass in their product and therefore several different colors of glass. Because many manufacturers ship different types of glass in a single load, the glass being shipped to manufacturers is often not color sorted or free of contaminants. The payment program provides programs to encourage manufacturers to improve the quality of their glass loads. The program offers up to \$30 per ton for loads of clean, color sorted glass.





Community Outreach Branch

The Community Outreach Branch facilitates groups of community decision-makers to establish infrastructure for beverage container recycling, increases the recycling awareness level of both youth and adults through educational programs and event participation, markets beverage container recycling in sports facilities, and provides grants, including to local community conservation corps. The Branch is comprised of two sections: Education and Regional Recycling Assistance.

Education Section

The Education Section develops and coordinates educational outreach activities targeted at children, promotes recycling to the general public, maintains the Division's website and operates a toll-free hotline.



Through a series of characters (Recycle Rex and friends), young children are taught to recycle, reduce, reuse and close the loop. A website is currently available for the public to access all phases of the Recycle Rex program.

There is an environmental club (RecyCool Club) and a quarterly newsletter (RecyCool Planet) to encourage recycling habits in young children. Recycle Rex, a stand-alone costumed character, travels to school assemblies and performs in his very own show (Close the Loop...The Recycle Rex Quiz Show). Education is provided through an interactive process on the basic premise that children learn not only from hearing and seeing, but also from participating.

The Division continually receives requests for Recycle Rex or other DOR outreach staff to appear at events throughout the state. Our Events Coordinator compiles data about these events for development of an annual calendar. In addition to Recycle Rex, we may set up an information booth or display.

Our outreach activities also include a sports marketing program. The goal of the program is not only to get the recycling message out at sporting venues, but also to assist in establishing beverage container recycling programs at sporting facilities. In addition to encouraging the fans to recycle, we also are working with the California Integrated Waste Management Board and 18 sporting venues throughout California to recycle other materials (office paper, food trays, cardboard, etc.) and promote efforts the facilities already have in place - like grasscycling.

Another responsibility of this section is to manage the Division's portion of the Department's website. DOR's Webmaster is responsible for designing and updating our website, heading the DOR web committee and coordinating the email the Division receives via the website.



A crucial resource for the public and industry is the Division's toll-free telephone line (1-800 RECYCLE), with information available in English and Spanish. The resources available through the toll-free line are diverse and include the following:

- RecyCool Club applications;
- Location of the nearest certified recycling center by zip code;
- Facts about the recycling program (e.g. what is CRV? What is the amount of CRV? Grants available. What are the current recycling rates?);
- Division of Recycling publications (e.g. Market Connection, regulations, teacher's packet etc.);
- Certification application;
- Handling fee application;
- Participant reporting forms;
- Distributor and manufacturer information;
- Dealer signs; and
- Announcements for special events, activities or any required compliance information.



Regional Recycling Assistance Section

This section is responsible for oversight of several funding programs in the Division, including the following :

- The Competitive Grant Program - This program makes available \$1.5 million in grant funds annually to any type of organization. The grants are used to develop and establish projects emphasizing beverage container recycling and litter abatement. The focus for proposed projects may change from year to year and is defined during each cycle in the grant solicitation announcement. The staff solicit grant proposals, review and evaluate proposals, make recommendations on which grant proposals are to receive funding, write the grant agreements and manage grants.
- Local Conservation Corps Grants - By providing funding for the local community conservation corps through the recycling program, the California Legislature took a very progressive and innovative step with far-reaching consequences. Several cities within the State established local corps to help low income, disadvantaged youth create a better life for themselves. Corps members come from all walks of life and range in age from 12 to 24. In 1987, four corps competed for \$7 million in grant funds to be used to execute recycling and litter abatement projects. Since 1987, the corps have grown to 11 organizations. These 11 corps compete for \$15 million annually in grant funds.



Each year the staff prepare and distribute corps grant guidelines, evaluate corps proposals and prepare grant agreements. Typically, the corps have conducted projects such as:

- ◆ recycling education in elementary schools;
- ◆ recycling collection in parks, recreation areas, and at businesses and restaurants; and
- ◆ litter abatement of median islands and alleyways.



➤ **City/County Payment Program** - This program provides \$10.5 million annually to cities and counties to establish beverage container recycling and litter clean-up activities within their jurisdictions. The payments are calculated on a per capita basis, with minimum awards of \$5,000 to cities and \$10,000 to counties. The funds are typically used for the following types of activities:

- ◆ the collection and recycling of beverage containers at large venues, public areas, residential communities, or schools;
- ◆ public education promoting beverage container recycling and/or litter prevention;
- ◆ conducting litter prevention and/or abatement activities in public places including community clean-up projects; and
- ◆ other beverage container recycling-related activities.



➤ **Community Assistance Program**- This effort focuses on un-served areas in California. Projects are selected based on the application of established criteria. The staff facilitate communication and bring together local recyclers, dealers, other decision makers and funding resources in the area to resolve barriers to beverage container recycling.





Reference Materials






The Division produces a variety of materials that are disseminated to the program participants. These materials are listed below and may be accessed by clicking on the item.



For All Program Participants

-  Listing of CRV Beverages
-  Biannual Report on Sales, Returns, Redemption & Recycling Rates

For Beverage Manufacturers or Distributors

-  DR-3 - Distributor Report
-  DR-4 - Beverage Manufacturer Report
-  Manufacturer & Distributor Participant Manual
-  Requirements for Beverage Manufacturers & Distributors
-  Beverage Container Labeling Guide



For Certified or Registered Participants

-  Certification Requirements
-  Recycler & Processor Participant Manual
-  DR-6 - Shipping Report
-  DR-7 - Processor Invoice Report
-  DR-14 - Handling Fee Application



For Local Governments

-  Guidelines for City & County Annual Payments

For the General Public

-  Market Connection
-  How to Start a Recycling Business

For Grantees

-  Grant Solicitation Announcement
-  Listing of California's Community Conservation Corps



DISTRIBUTOR REPORT

STATE OF CALIFORNIA - The Resources Agency
DEPARTMENT OF CONSERVATION
Division of Recycling
DR-3 (1/04)



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POSTMARK

AMOUNT

REC'D BY

COMPANY NAME

CONTACT PERSON

ADDRESS

PHONE NUMBER

DISTRIBUTOR ID#

REPORTING PERIOD

MM DD YY

THRU

MM DD YY



CHECK THIS BOX IF YOU HAVE A CHANGE OF ADDRESS.



AMENDMENT TO FSN








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CHECK THIS BOX IF YOU HAVE CLOSED THIS BUSINESS

PART I - PAYMENT REPORT

REDEEMABLE CONTAINERS SOLD OR TRANSFERRED**UNDER 24 OUNCE CONTAINERS**

MATERIAL	CONTAINER COUNT	RATE	CRV
ALUMINUM		X.04= \$	.
GLASS		X.04= \$	.
PLASTIC PETE 		X.04= \$	.
PLASTIC HDPE 		X.04= \$	.
PLASTIC VINYL 		X.04= \$	.
PLASTIC LDPE 		X.04= \$	.
PLASTIC PP 		X.04= \$	.
PLASTIC PS 		X.04= \$	.
OTHER PLASTIC 		X.04= \$	.
BIMETAL		X.04= \$	.

☐ CHECK THIS BOX IF YOU DO NOT HAVE ANYTHING TO REPORT THIS PERIOD.

PART II - REFILLABLES (if nothing to report please enter zero on all fields)

REFILLABLE CONTAINERS SOLD OR TRANSFERRED	
MATERIAL	CONTAINER COUNT
GLASS	
OTHER	
REFILLABLE CONTAINERS RETURNED	
MATERIAL	CONTAINER COUNT
GLASS	
OTHER	

SIGNATURE








INTEREST AT THE RATE EARNED BY THE POOLED MONEY INVESTMENT ACCOUNT AND CIVIL PENALTIES OF UP TO 15 PERCENT OF THE AMOUNT DUE FOR PAYMENT MAY BE ASSESSED FOR EACH UNDERPAYMENT OR LATE PAYMENT. IN ADDITION, CIVIL PENALTIES OF UP TO FIVE THOUSAND DOLLARS (\$5,000) PER DAY MAY BE ASSESSED FOR FAILURE TO REPORT. I CERTIFY UNDER PENALTY OF PERJURY THAT THE FACTS PRESENTED HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

DISTRIBUTOR'S SIGNATURE

DATE

FORM SERIAL NUMBER (FSN):

24 OUNCE AND LARGER CONTAINERS

MATERIAL	CONTAINER COUNT	RATE	CRV
ALUMINUM		X.08= \$	.
GLASS		X.08= \$	.
PLASTIC PETE 		X.08= \$	.
PLASTIC HDPE 		X.08= \$	.
PLASTIC VINYL 		X.08= \$	.
PLASTIC LDPE 		X.08= \$	.
PLASTIC PP 		X.08= \$	.
PLASTIC PS 		X.08= \$	.
OTHER PLASTIC 		X.08= \$	.
BIMETAL		X.08= \$	.

(SUM OF TOTALS ABOVE) = TOTAL:

(TOTAL X 0.01) = ADMIN FEE:

(TOTAL - ADMIN FEE) = CRV DUE:

For more information, visit our website at: www.conservation.ca.gov

RETURN TO DEPARTMENT OF CONSERVATION, P.O. BOX 277820, SACRAMENTO, CALIFORNIA 95827

BEVERAGE MANUFACTURER REPORT

STATE OF CALIFORNIA - The Resources Agency
DEPARTMENT OF CONSERVATION
Division of Recycling

DR-4 (1/00)



PRINTED ON RECYCLED PAPER

FOR STATE USE ONLY

CCN

FOR STATE USE ONLY

POSTMARK

AMOUNT

REC'D BY

COMPANY NAME

ADDRESS

ID#

REPORTING PERIOD THRU

☐ AMENDMENT TO FSN

CONTACT PERSON

TELEPHONE NUMBER








☐ CHECK THIS BOX IF YOU DO NOT HAVE ANYTHING TO REPORT THIS PERIOD.

☐ CHECK THIS BOX IF YOU HAVE A CHANGE OF ADDRESS.

☐ CHECK THIS BOX IF THERE IS A CHANGE OF OWNERSHIP
EFFECTIVE DATE :

☐ CHECK THIS BOX IF YOU CLOSED THIS BUSINESS.
EFFECTIVE DATE :

REDEEMABLE CONTAINERS SOLD OR TRANSFERRED

MATERIAL TYPE ASSESSED PF	CONTAINER COUNT	X	UNIT FEE	=	PROCESSING FEE
GLASS					.
PLASTIC PETE 					.
PLASTIC HDPE 					.
PLASTIC VINYL 					.
PLASTIC LDPE 					.
PLASTIC PP 					.
PLASTIC PS 					.
OTHER PLASTIC 					.
BIMETAL					.
TOTAL DUE					.

INTEREST AT THE RATE EARNED BY THE POOLED MONEY INVESTMENT ACCOUNT AND CIVIL PENALTIES OF UP TO 15 PERCENT OF THE AMOUNT DUE FOR PAYMENT MAY BE ASSESSED FOR EACH UNDER PAYMENT OR LATE PAYMENT. IN ADDITION, CIVIL PENALTIES OF UP TO FIVE THOUSAND DOLLARS (\$5,000) PER DAY MAY BE ASSESSED FOR FAILURE TO REPORT. I CERTIFY UNDER PENALTY OF PERJURY THAT THE FACTS PRESENTED HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

MANUFACTURER'S SIGNATURE/TITLE

DATE

FORM SERIAL NUMBER (FSN):

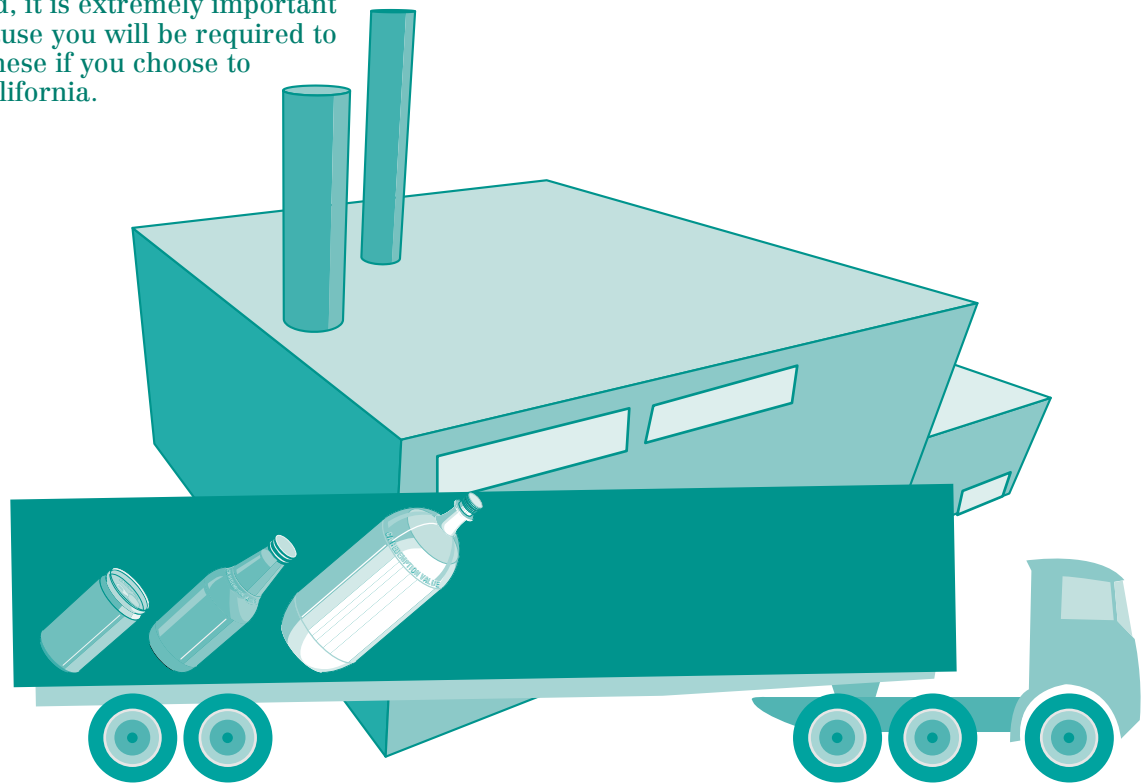
RETURN TO DEPARTMENT OF CONSERVATION, P.O. BOX 277820, SACRAMENTO, CA 95827



REQUIREMENTS FOR BEVERAGE MANUFACTURERS AND DISTRIBUTORS

Under the California Beverage Container Recycling & Litter Reduction Act

This fact sheet provides an overview of the process and operating requirements for beverage manufacturers and distributors who operate in the State of California. If you are a beverage manufacturer or distributor, you must read the **California Beverage Container Recycling and Litter Reduction Act (Act)** and the **California Code of Regulations**. While these documents seem long and cumbersome to read, it is extremely important that you do so, because you will be required to comply with all of these if you choose to sell beverages in California.



WHO IS A BEVERAGE MANUFACTURER?

Entities (as defined in the Act) that fill containers with beverages or who import filled containers and sell or transfer them to distributors or dealers for sale in California.

WHO IS A BEVERAGE DISTRIBUTOR?

Entities (as defined in the Act) that sell or transfer beverages to dealers in California.

WHAT IS A BEVERAGE

“Beverage” means beer and other malt beverages, wine coolers and distilled spirit coolers, carbonated and noncarbonated mineral and soda water, carbonated and noncarbonated water, carbonated and noncarbonated softdrinks and sport drinks, carbonated and noncarbonated fruit drinks, coffee and tea drinks, sold in aluminum, glass, plastic and bi-metal containers in liquid and ready-to-drink form and intended for human

consumption. “Beverage” does not include wine, or wine from which alcohol has been removed in whole or in part, whether or not sparkling or carbonated. Also excluded are milk, medical food, infant formula, 100% fruit juices in containers over 46 ounces and any product sold in a container that is not an aluminum beverage container, a glass beverage container, a plastic beverage container, or a bimetal beverage container.

PAYMENT & REPORTING

WHAT IS A BEVERAGE CONTAINER?

“Beverage Container” means the individual, separate bottle, can, jar, carton, or other receptacle, however denominated, in which a beverage is sold, and which is constructed of aluminum, glass, plastic or bimetal.

WHAT IS REQUIRED OF PROGRAM PARTICIPANTS?

Beverage Manufacturer:

- **Processing Fee Payments**
Timely completion and submission of the Beverage Manufacturer Report (DR-4) with payment.
- **Record keeping**
Maintain records of processing fee payments, records of in-state sales and transfers of covered beverage containers, and records and receipts of recycling activities for rejected containers that are redemption labeled.
- **Record retention**
All records are subject to audit by the Department and must be kept at a location known to the Department for a period of five years.

Distributors:

- **Redemption Payments**
Timely completion and submission of the Distributor Report (DR-3) with payment.
- **Record keeping**
Maintain records of the count of beverage containers and refillable containers, by container type, sold or transferred to dealers. Keep records of beverage containers received from beverage manufacturers. Distributors must keep receipts and records for samples, donations and employee sales. Distributors who sell beverages in refillable containers and accept empty refillable containers for reuse must keep documentation of these transactions to support their reports to the Division. Distributors must keep receipts and records of recycling activities for rejected containers that are redemption labeled.
- **Record retention**
All records are subject to audit by the Department and must be kept at a location known to the Department for a period of five years.

WHERE ARE REPORTS SENT?

All Beverage Manufacturer Reports (DR-4) and Distributor Reports (DR-3) should be sent to:

IKON Business Services, Inc.
P.O. Box 277820
Sacramento, CA 95827

WHERE CAN I ORDER MORE FORMS?

Send a written request to:

IKON Business Services, Inc.
P.O. Box 277937
Sacramento, CA 95827

Attn: PRPS Order Department

HOW CAN I CONTACT THE DIVISION?

To get more information about requirements for beverage manufacturers and distributors:

Write to:

**Department of Conservation
Division of Recycling**
801 K Street, MS 15-29
Sacramento, CA 95814-3533

Or call:

**Phone: (916) 327-7361
Fax: (916) 327-2787**

www.conservation.ca.gov



FOR STATE USE ONLY

PROCESSOR CCN



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FOR STATE USE ONLY

CCN

SHIPPING REPORT

STATE OF CALIFORNIA – The Resources Agency
DEPARTMENT OF CONSERVATION
Division of Recycling

FOR STATE USE ONLY

ATTACHED TO CCN

DR-6 (1/00)

COMPLETED BY SHIPPER:

COMPANY
NAME

ADDRESS

CERT. #

CONTACT
PERSONTELEPHONE
NUMBER

COMPANY NAME

CERT. #

MATERIAL
TYPE

AMENDMENT TO FSN

RECYCLER PAYMENT REQUEST INFORMATION

	REDEMPTION WEIGHT (LBS)	REFUND (A)	PROCESSING PAYMENT (B)	SUBTOTAL DUE A+B
FROM Receipts & Logs
FROM Shipping Reports or Consolidated Reports
TOTAL

Receipt & Log Entries For

Thru

Number of Attachments
or Consolidated Shipments

COMPLETED BY RECEIVER

Weight Ticket #

Received Wt. (Lbs.)

RECEIVER PAYMENT ANALYSIS

Refund Value (C)

Processing Pymt. (D)

Subtotal Due (C+D)

Received Date:		Completed by receiver only:		
		% of Reduction Taken	TOTAL PAYMENT DUE	

ADMINISTRATIVE
FEE

For Quality Glass Incentive Payment Program (Curbside Programs Only). In the following box, please include the applicable two-digit code corresponding to the color of glass received:

FL = Flint

GR = Green

AB = Amber

MX = Mixed

Glass
Color

% OF SHRINKAGE

Civil penalties of up to one thousand dollars (\$1,000.00) per day may be assessed for violation of the laws and regulations governing this report. In addition, the submission of false information with intent to defraud is a crime punishable by substantial fines, up to three years imprisonment, or both. Knowing this, I certify under penalty of perjury that the facts presented herein are true and correct to the best of my knowledge.

APPROVED FOR PAYMENT

Shipper's Signature/Title

Receiver's Signature/Title

FOR STATE USE ONLY

Date

Date

PROCESSOR INVOICE REPORT

STATE OF CALIFORNIA – The Resources Agency
DEPARTMENT OF CONSERVATION
Division of Recycling

DR-7 (1/95)

FOR STATE USE ONLY

CCN

FOR STATE USE ONLY

POSTMARK DATE

NAME	
ADDRESS	
CONTACT PERSON	
TELEPHONE NUMBER	

MATERIAL TYPE	
# OF SHIPPING REPORTS ATTACHED	
CHECK ONE: <input type="checkbox"/> FOR RECYCLING <input type="checkbox"/> NOT FOR RECYCLING	
REPORTING PERIOD	THRU
CERT. #	

☐ SUPPLEMENTAL TO

OR

FSN

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☐ AMENDMENT TO

<input type="checkbox"/>	CHECK THIS BOX IF YOU DO NOT HAVE ANYTHING TO REPORT THIS PERIOD.
<input type="checkbox"/>	CHECK THIS BOX AND NOTIFY THE DEPARTMENT IF YOU HAVE A CHANGE OF ADDRESS.
<input type="checkbox"/>	CHECK THIS BOX AND NOTIFY THE DEPARTMENT IN WRITING IF THERE IS A CHANGE OF OWNERSHIP.
	EFFECTIVE DATE :
<input type="checkbox"/>	CHECK THIS BOX AND NOTIFY THE DEPARTMENT IN WRITING IF YOU CLOSED THIS BUSINESS.
	EFFECTIVE DATE: _____

SHIPPING REPORT TOTALS

WEIGHT RECEIVED (LBS)	REDEMPTION WEIGHT (LBS)	REFUND VALUE PAID	ADMINISTRATIVE FEE PAID	PROCESSING PAYMENT PAID

PAYMENT REQUEST INFORMATION

TOTAL REFUND VALUE PAID (B)	
TOTAL PROCESSING PAYMENT (A X PROCESSING PYMT. RATE _____)	
TOTAL ADMINISTRATIVE FEE (B X RATE _____)	
GRAND TOTAL DUE	

CIVIL PENALTIES OF UP TO FIVE THOUSAND DOLLARS (\$5,000.00) PER DAY MAY BE ASSESSED FOR EACH SEPARATE VIOLATION OF THE LAWS AND REGULATIONS GOVERNING THIS REPORT. IN ADDITION, THE SUBMISSION OF FALSE INFORMATION WITH INTENT TO DEFRAUD IS A CRIME PUNISHABLE BY SUBSTANTIAL FINES, UP TO THREE YEARS IMPRISONMENT, OR BOTH. KNOWING THIS, I CERTIFY UNDER PENALTY OF PERJURY THAT THE FACTS PRESENTED HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

	FOR STATE USE ONLY	
PROCESSOR'S SIGNATURE/TITLE		DATE

HANDLING FEE APPLICATION

STATE OF CALIFORNIA - The Resources Agency
DEPARTMENT OF CONSERVATION
Division of Recycling
DR-14 (1/00)



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CCN

FOR STATE USE ONLY

POSTMARK

AMOUNT

REC'D BY

MONTHLY REPORT

FOR THE MONTH OF _____, 20____

NAME

CERT. #

MAILING
ADDRESS

CONTACT
PERSON








TELEPHONE
NUMBER

☐

CHECK THIS BOX IF YOU HAVE A
CHANGE OF MAILING ADDRESS.

☐

CHECK THIS BOX IF THERE IS A CHANGE OF
OWNERSHIP OR CLOSE OF BUSINESS.

<i>MATERIAL TYPE</i>	<i>RECEIPTS & LOGS REDEMPTION WEIGHT (TENTH OF LBS)</i>	<i>MATERIAL TYPE</i>	<i>RECEIPTS & LOGS REDEMPTION WEIGHT (TENTH OF LBS)</i>
ALUMINUM	.	PLASTIC VINYL 	.
GLASS	.	PLASTIC LDPE 	.
BI-METAL	.	PLASTIC PP 	.
PLASTIC PETE 	.	PLASTIC PS 	.
PLASTIC HDPE 	.	PLASTIC OTHER 	.

In order to be eligible for payment, the Handling Fee Application must be postmarked no later than the first day of the second month following the reporting month. Forms postmarked after this date and incorrectly completed forms will be denied for payment and the Handling Fee will be forfeited.

By signing and submitting this form, I certify that the redemption weights reported herein are only for the supermarket site, nonprofit convenience zone recycler, or rural region recycler indicated above. I also certify that I understand that this form is an application and that a final determination of eligibility for, and amount of, Handling Fee payments, if any, will be made by the Department of Conservation.

Civil penalties of up to five thousand dollars (\$5,000.00) per day may be assessed for violation of the laws and regulations governing this application. In addition, the submission of false information with intent to defraud is a crime punishable by substantial fines, up to three years of imprisonment, or both. Knowing this, I certify that the facts presented herein are true and correct to the best of my knowledge.

Recycler's Signature/Title

Date

FOR STATE ONLY

FORM SERIAL NUMBER (FSN):

RETURN TO: DEPARTMENT OF CONSERVATION, P.O.BOX 277850, SACRAMENTO, CA 95827

Local Conservation Corps
Contact Information

Corps/Staff Information	Address	Phone/Fax Number/Ext	E-Mail
Conservation Corps of Long Beach			
Executive Director: Mr. Mike Bassett	340 Nieto Avenue Long Beach, CA 90814-1845	Phone: 562/986-1249 Fax: 562/986-9390	mbassett@cclb-corps.org
Deputy Director: Joyce McDevitt		Phone: 562/986-1249 Fax: 562/986-9390	jmcdevitt@cclb-corps.org
Recycling Coordinator: Mark Calloway		Phone: 562/986-1249 Fax: 562/986-9390	mcalloway@cclb-corps.org
East Bay Conservation Corps			
Executive Director: Ms. Joanna Lennon	1021 Third Street Oakland, CA 94607	Phone: 510/992-7800 Fax: 510/992-7950	jlennon@ebcc-school.org
Financial Director Courtney Ruby		Phone: 510/992-7838	cruby@ebcc-school.org
Program Director: Mike Smith		Phone: 510/992-7813	msmith@ebcc-school.org
Sr. Mgr. of Field Programs: Audrey Russano		Phone: 510/992-8018	arussano@ebcc-school.org
Recycling Coordinator: Matt Zwicker	2014 Market Street Oakland, CA 94607	Phone: 510/625-2090 Fax: 510/625-0440	mzwicker@ebcc-school.org
Fresno Economic Opportunities Commission			
Executive Director: Mr. Roger Palomino	1920 Mariposa Mall, Ste. 300 Fresno, CA 93721-2504	Phone: 559/263-1000 Fax: 559/269-1009	roger.palomino@fresnoeoc.org
Fresno Local Conservation Corps			
Director: Mr. Paul McLain-Lugowski	1371 Stanislaus Street Fresno, CA 93706	Phone: 559/264-1048 Fax: 559/264-1004	paul.mclain-lugowski@fresnoeoc.org
Recycling Coordinator: Shawn Riggins		Phone: 559/264-1048	Shawn.Riggins@fresnoeoc.org
Los Angeles Conservation Corps			
Executive Director: Mr. Bruce Saito	3655 S. Grand Avenue, Ste. 280 Los Angeles, CA 90007	Phone: 213/747-1872 x 305 Fax: 213/747-2944	bsaito@lacorps.org
mailing address:	P.O. Box 15868 Los Angeles, CA 90015		
Controller: Pam Ashlund	605 W. Olympic Blvd. Stes. 450 & 470 Los Angeles, CA 90015	Phone: 213/362-9000 x 206 Fax: 213/362-7952	pashlund@lacorps.org
Adult Corps Division Director: Dan Knapp	3655 S. Grand Avenue, Ste. 280 Los Angeles, CA 90007	Phone: 213/747-1872 x 313 Fax: 213/747-2944	dknapp@lacorps.org
Environmental Service Director: Bo Savage	2824 S. Main Street Los Angeles, CA 90007	Phone: 213/749-3601 x 204 Fax: 213/749-4301	bsavage@lacorps.org
Project Manager: Robert Skillman	2824 S. Main Street Los Angeles, CA 90007	Phone: 213/749-3601 x 220 Fax: 213/749-4301	rskillman@lacorps.org
Marin Conservation Corps			
Executive Director: Ms. Marilee Eckert	27 Larkspur Street San Rafael, CA 94901	Phone: 415/454-4554 Fax: 415/454-4595	meckert@marincc.org
Controller: Kathy Crebbs		Phone: 415/454-4554	kcrebbs@marincc.org
Financial Consultant: Krista Thomas		Phone: 415/454-4554	
Recycling Coordinator: Kim Fox	33 Commercial Blvd., Ste. B Novato, CA 94949	Phone: 415/884-2400 Fax: 415/884-3522	kfox@marincc.org
Orange County Conservation Corps			
Executive Director: Mr. Rick Stroup	1853 North Raymond Avenue Anaheim, CA 92801	Phone: 714/956-6222 Fax: 714/956-1944	rstroup@occcorps.org
Recycling Manager: Robert Von Gietzen			
Recycling Coordinator: Josh Volp			jvolp@occcorps.org
Sacramento Local Conservation Corps			
Executive Director: Mr. Dwight Washabaugh	8460 Belvedere Ave., Ste. 7 Sacramento, CA 95826	Phone: 916/386-8394 Fax: 916/386-8985	dbw46@earthlink.net
Program Coordinator: Ernesto Lucero		Phone: 916/386-8394	ernestolucero@earthlink.net
Director of Operations and Development: Quinn Gregory		Phone: 916/386-8394	qgregory@earthlink.net
Director of Corpsmember Development: Lorna LaZansky		Phone: 916/386-8394	
Controller/Director of Administration Ms. Kala Dean		Phone: 916/933-1707	kaladean@earthlink.net

Local Conservation Corps
Contact Information

Corps/Staff Information	Address	Phone/Fax Number/Ext	E-Mail
San Francisco Conservation Corps			
Executive Director: Ann Cochrane	1550 Bryant Street, Suite 500 San Francisco, CA 94103	Phone: 415/928-7322 x 302 Fax: 415/928-7330	acochrane@sfcc.org
Controller: Charlie Quaid		Phone: 415/928-7322 x 307	cquaid@sfcc.org
Fort Mason Janet Gomes		Phone: 415/928-7417 x 306	jgomes@sfcc.org
Presidio contact Recycling Manager Emily Miggins		Phone: 415/725-4741 Cell: 415/725-4756	emiggins@sfcc.org
San Jose Conservation Corps			
Executive Director: Robert Hennessy	2650 "A" Senter Road San Jose, CA 95111	Phone: 408/283-7171 Fax: 408/288-6521	bob@sjcccharterschool.org
Controller: Art Ruiz		Phone: 408/918-1017 Fax: 408/998-7119	
Recycling Coordinator: Alyssa Rice-Wilson	1534 Berger Drive San Jose, CA 95112	Phone: 408/287-9919 x 11 Cell: 408/595-2043 Fax: 408/287-9929	alyssa@sjcccharterschool.org
Tulare County Conservation Corps			
Executive Director: Ms. Carolyn Rose	PO Box 1350 Visalia, CA 93279	Phone: 559/732-4194 Fax: 559/733-3971	crose@cset.org
Recycling Coordinator: Carlos Garcia	312 NW Third Avenue Visalia, CA 93291-3626	Phone: 559/741-4665	cgarcia@cset.org
Urban Corps of San Diego			
Executive Director: Mr. Sam Duran	PO Box 80156 San Diego, CA 92138	Phone: 619/235-6884 Fax: 619/235-5425	sduran@urbancorps.org
Recycling Program Director: Erwin Sanvictores	3127 Jefferson Street San Diego, CA 92110-4422		esanvictores@urbancorps.org
Recycling Coordinator: vacant			